

HELM

FINANCIAL CORPORATION

One Embarcadero Center • San Francisco, CA 94111
415/398-4510 FAX 415/398-4816

February 9, 1999

Mr. Vernon Williams
Secretary
Surface Transportation Board
1925 K Street, N.W.
Washington, D.C. 20423-0001

RECORDATION NO. 20369-I FILED

FEB 23 '99

9-30AM

Dear Mr. Williams:

Enclosed are two (2) Certification of True Copies evidencing **Schedule No. 14** dated as of April 28, 1998 to that certain Master Locomotive Lease Agreement dated as of May 1, 1995 between the following parties:

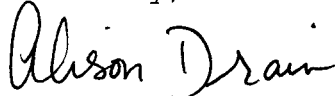
Lessor: Helm Financial Corporation
One Embarcadero Center, Suite 3700
San Francisco, CA 94111

Lessee: Union Pacific Railroad Company
1416 Dodge Street, Room 200
Omaha, Nebraska 68179

Equipment: Twenty-seven (27) locomotives as more fully described in Annex A attached hereto.

Please file this Schedule as a supplementary document to Recordation No. 20369 and return one (1) stamped original to my attention. A check covering the filing fee of twenty-six dollars (\$26.00) is enclosed.

Sincerely,



Alison Drain
Document Administrator

/ad
Enclosures (2)

SCHEDULE NO. 14

FEB 23 '99

9-30AM

THIS SCHEDULE NO. 14 ("Schedule No. 14") to that Master Locomotive Lease Agreement ("Lease") dated as of May 1, 1995 between HELM FINANCIAL CORPORATION ("Lessor") and UNION PACIFIC RAILROAD COMPANY ("Lessee") is dated as of April 28, 1998.

Lessor and Lessee agree as follows:

1. Capitalized Terms: All capitalized terms defined in the Lease shall have the meanings defined therein when used in this Schedule No. 14 except that the term "Unit(s)" as used herein shall only refer to the locomotives described in this Schedule No. 14 unless otherwise indicated.
2. Units Leased: Lessor hereby leases to Lessee the twenty-seven (27) GP38-2 locomotives as described in Annex A attached hereto ("Unit(s)"), subject to the terms and conditions of the Lease and this Schedule No. 14.
3. Delivery Point: On the railroad lines of Lessee.
4. Lease Commencement Date: August 1, 1998.
5. Rent Commencement Date: August 1, 1998.
6. Rent: [REDACTED] Rent for each Unit shall commence on the Rent Commencement Date for such Unit and continue through and including the date such Unit is returned to Lessor pursuant to Section 11 of the Lease. Rent payments with respect to each Unit shall be made by Lessee on the last day of each month in arrears.
7. Fixed Term; Renewal Option:
 - A. Fixed Term. The Fixed Term for each Unit shall commence on the Lease Commencement Date for such Unit and shall continue in full force and effect through and including [REDACTED]
 - B. Renewal Option. If no Event of Default has occurred and is continuing under the Lease or this Schedule No. 14, the parties may extend the Term of this Lease beyond expiration of the Fixed Term with respect to any Unit(s) covered under this Schedule No. 14 ("Renewal"); **provided, however,** that Lessee and Lessor mutually agree in writing ninety (90) days prior to the expiration of the Fixed Term of their intention to negotiate such Renewal. The Renewal rental rate shall be based upon the then fair market value for the Units and the terms, conditions and such rental rate of the Lease shall be mutually agreed upon between Lessor and Lessee.
8. Settlement Value: For any Casualtied Unit, Lessee shall pay to Lessor a Settlement Value payment in the amount set forth in Annex B attached hereto.
9. Parts and Labor Warranty. Lessor agrees at its own expense to repair or replace any component set forth in Annex C attached hereto ("Warranty

Item(s)"), including any labor charges relating thereto. Lessee agrees at its own expense to repair or replace any failed Warranty Item(s), including labor charges relating thereto, at any time if Lessee's misuse or abuse, or a derailment or any accident causes such failure. For any Unit removed from service due to the failure of a Warranty Item for which Lessor is responsible, Rent will abate seventy-two (72) hours following the discovery of such failure ("Notification Date"), and Rent shall be reinstated on the date such repaired Unit is redelivered to Lessee at an interchange point located on Lessee's lines; **provided, however,** if Lessee fails to deliver any Unit to Lessor's designated interchange location ("**Designated Interchange**") within ten (10) days after the Notification Date, Rent shall be reinstated for such Unit on the eleventh (11th) day after the Notification Date and Lessee shall continue to pay Rent to Lessor for such Unit until the date Lessee delivers such Unit to the Designated Interchange. Notwithstanding anything in this Schedule No. 14 or the Lease, Lessor shall have the right to terminate the Lease of any Unit subject to a Warranty Item failure. In the event Lessor terminates the Lease for a Unit due to a Warranty Item failure, Rent shall cease on the date that such Unit is interchanged off Lessee's railroad. **LESSOR'S LIABILITY HEREUNDER IS EXPRESSLY LIMITED TO THE COST OF REPAIRING OR REPLACING THOSE PARTS IDENTIFIED AS WARRANTY ITEMS. IN NO EVENT SHALL LESSOR BE LIABLE UNDER ANY CIRCUMSTANCES TO LESSEE OR ANY THIRD PARTY FOR ANY INCIDENTAL, SPECIAL, EXEMPLARY, INDIRECT OR CONSEQUENTIAL DAMAGES IN ANY AMOUNT RELATING TO OR CONNECTED WITH THE FAILURE OF A WARRANTY ITEM, INCLUDING, BUT NOT LIMITED TO, TRANSPORTATION CHARGES, LOSS OF USE OR DOWNTIME OF ANY UNIT OR LOST PROFITS.**

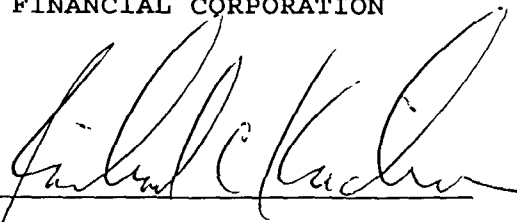
IN WITNESS WHEREOF, each party, pursuant to due corporate authority, has caused this Schedule No. 14 dated as of April 28, 1998 to the Master Locomotive Lease Agreement dated as of May 1, 1995 to be executed by its authorized officer, and the parties each declare that the foregoing is true and correct.

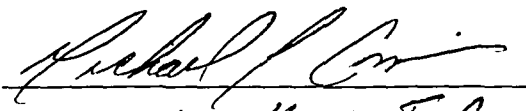
LESSOR

LESSEE

HELM FINANCIAL CORPORATION

UNION PACIFIC RAILROAD COMPANY

By: 
Print Name: Richard C. Kirchner
Title: President

By: 
Print Name: Michael J. Crodin
Title: Vice President Supply

ANNEX A

To Schedule No 14 dated April 28, 1998 to the Master Lease Agreement dated May 1, 1995
between Helm Financial Corporation and Union Pacific Railroad Company

THE UNITS

Description Twenty-seven (27) , 2,000 horsepower, GP38-2 locomotives equipped with extended range
dynamic brakes Built by EMD in 1973 and overhauled in 1993-98

NOTE The seventeen (17) SP-marked Units are to be equipped with ditch lights, EOT, event recorders, or
retention tanks The eight (8) UP-marked Units indicated w/an asterisk were upgraded at MEI and are each
equipped with a cab leader package and received only one (1) ditch light

	Current Number		Former Number		UPRR Number		Overhauled & Painted	Color Scheme
1	UP	1971	HLLX	2580 *	UP	1971	Yes	UP
2	SP	4846	HLLX	2581	UP	1972	Yes	SP
3	UP	1973	HLLX	2582 *	UP	1973	Yes	UP
4	SP	4848	HLLX	2583	UP	1974	Yes	SP
5	SP	4849	HLLX	2584	UP	1975	Yes	SP
6	SP	4850	HLLX	2585	UP	1976	Yes	SP
7	UP	1977	HLLX	2586 *	UP	1977	Yes	UP
8	UP	1978	HLLX	2587 *	UP	1978	Yes	UP
9	SP	4853	HLLX	2588	UP	1979	Yes	SP
10	SP	4854	HLLX	2589	UP	1980	Yes	SP
11	SP	4855	HLLX	2590	UP	1981	Yes	SP
12	UP	1982	HLLX	2591 *	UP	1982	Yes	UP
13	SP	4857	HLLX	2592	UP	1983	Yes	SP
14	UP	1984	HLLX	2593	UP	1984	Yes	UP
15	SP	4859	HLLX	2594	UP	1985	Yes	SP
16	SP	4860	HLLX	2595	UP	1986	Yes	SP
17	SP	4861	HLLX	2597	UP	1987	Yes	SP
18	SP	4862	HLLX	2598	UP	1988	Yes	SP
19	SP	4863	HLLX	2599	UP	1989	Yes	SP
20	SP	4864	HLLX	2600	UP	1990	Yes	SP
21	SP	4865	HLLX	2601	UP	1991	Yes	SP
22	UP	1992	HLLX	2602	UP	1992	Yes	UP
23	UP	1993	HLLX	2603 *	UP	1993	Yes	UP
24	UP	1994	HLLX	2604 *	UP	1994	Yes	UP
25	SP	4869	HLLX	2605	UP	1995	Yes	SP
26	UP	1996	HLLX	2606 *	UP	1996	Yes	UP
27	SP	4871	HLLX	2607	UP	1997	Yes	SP

ANNEX B

To Schedule No. 14 dated April 28, 1998 to that certain Master Locomotive Lease Agreement dated as of May 1, 1995 between Helm Financial Corporation and Union Pacific Railroad Company

ANNEX C

To Schedule No. 14 dated April 28, 1998 to that certain Master Locomotive Lease Agreement dated as of May 1, 1995 between Helm Financial Corporation and Union Pacific Railroad Company.

CERTIFICATION OF TRUE COPY

On February 5, 1999, I, Cecilia Mostaghim, have examined the original copy of the **SCHEDULE NO. 14** dated as of April 28, 1998 to that certain Master Locomotive Lease Agreement dated as of May 1, 1995 between **HELM FINANCIAL CORPORATION** and **UNION PACIFIC RAILROAD COMPANY**. I hereby certify that I have compared the attached duplicate copy with the original and that it is a complete, true and correct copy of the original in all respects, including the dates, signatures and acknowledgments thereof.

Cecilia Mostaghim
Cecilia Mostaghim
Contract Administrator

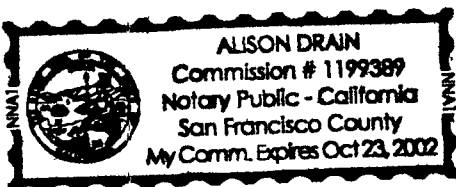
STATE OF CALIFORNIA)
) S.S.
COUNTY OF SAN FRANCISCO)

On February 9, 1999, before me, Alison Drain, personally appeared Cecilia Mostaghim, Contract Administrator, **HELM FINANCIAL CORPORATION**,

X personally known to me -OR-

— proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

Witness my hand and official seal.



Alison Drain
SIGNATURE OF THE NOTARY